

Senate Transportation and Safety Committee 1

Amendment No. 1 to SB1343

**Tracy
Signature of Sponsor**

AMEND Senate Bill No. 1343

House Bill No. 1321*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 211, is amended by adding the following language as a new part:

68-211-1101. This part shall be known and may be cited as the “Tire Environmental Act.”

68-211-1102. As used in this part, unless the context otherwise requires:

- (1) “Fee” means the tire environmental fee created by this part;
- (2) “Fund” means the tire environmental fund created by this part;
- (3) “Motor vehicle” means any vehicle that is self-propelled and designed to be used on public highways; and
- (4) “Tire” means a continuous solid or pneumatic rubber covering encircling the wheel of a motor vehicle.

68-211-1103.

(a) There is imposed on each purchase of a new motor vehicle a tire environmental fee as follows:

- (1) Five dollars (\$5.00) for a motor vehicle with four (4) or fewer wheels;
- (2) Ten dollars (\$10.00) for a motor vehicle with more than four (4) but fewer than eleven (11) wheels; and
- (3) Fifteen dollars (\$15.00) for a motor vehicle with eleven (11) or more wheels.

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(b) The fee imposed by this section shall be collected by the seller from the purchaser at the time of purchase.

(c) Fees collected shall be remitted to the department of revenue in a manner prescribed by the commissioner. All fees collected, less an amount to cover the actual expenses of administration by the department, shall be credited to the tire environmental fund.

(d) Notwithstanding any law to the contrary, fees imposed by this section shall be exempt from sales and use tax and business tax liability regardless of whether the fee is included in the purchase price of a new motor vehicle or is paid separately at the time of purchase.

68-211-1104.

(a) There is created a special account in the state treasury to be known as the tire environmental fund.

(b) Moneys shall be deposited in the fund as provided in § 68-211-1103(c).

(c) Moneys in the fund shall be used exclusively by the department of environment and conservation in accordance with § 68-211-1105.

(d) Moneys in the fund may be invested by the state treasurer in accordance with § 9-4-602.

(e) Notwithstanding any law to the contrary, interest accruing on investments and deposits of the fund shall be credited to such fund, shall not revert to the general fund, and shall be carried forward into the subsequent fiscal year.

(f) Any balance in the fund remaining unexpended at the end of a fiscal year shall not revert to the general fund but shall be carried forward into the subsequent fiscal year.

68-211-1105.

(a) The department of environment and conservation shall administer a tire environmental program with moneys available from the fund as appropriated by the general assembly.

(b) The program may include:

(1) Grants to develop and implement programs to provide direct incentives to local governments, for-profit entities, and nonprofit entities to enhance collection, transportation, and processing related to further encourage Tennessee end-markets for waste tires;

(2) Grants, subsidies, or loans to encourage research, technologies, or processes for waste tire management, the use of tires as alternative fuels, or the use of tires in innovative infrastructure developments;

(3) Creation of a database and operation of an interactive information clearinghouse; and

(4) Market development services.

(c) Program expenditures shall be reported to the office of legislative budget analysis and the chair of the transportation and safety committee of the senate, chair of the transportation committee of the house of representatives, and the chairs of the finance, ways and means committees of the senate and house of representatives on a quarterly basis.

SECTION 2. This act shall take effect October 1, 2015, the public welfare requiring it.